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Department of State **TELEGRA**

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ACTION OPIC-06

INFO OCT-01 EA-06 ISO-00 EB-07 AID-05 /025 W
128481

R 140858Z APR 75
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 9400

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STATE PASS OPIC

EO 11652: N/A
TAGS: EINV, KS
SUBJ: OPIC INSURANCE - DOW CHEMICAL INVESTMENT
REF: A. STATE 077105 B. STATE 030025

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY HH DATE 5/21/82
RDS☐or XDS☐EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED☐ RELEASABLE☑
RELEASE DENIED☐
PA or FOI EXEMPTIONS

1. INFORMATION ON DOW INVESTMENT PLANS CONTAINED REF A DENIED BY LOCAL DOW OFFICIALS WHO INDICATED OPIC MUST HAVE MISINTERPRETED REMARKS OF DOW WASHINGTON REP.

2. RECENT (APRIL 10, 1975) CABLE FROM DOW WASHINGTON OFFICE ALSO CONFIRMS DOW PLANS TO GO AHEAD WITH YOSU PROJECT, WHICH WILL BE CONSIDERED BY DOW BOARD IN MAY, AS ORIGINALLY SCHEDULED.

3. LOCAL DOW REPS REALISTIC REGARDING OPIC EXPOSURE LEVEL IN KOREA AND PROBABLE NEED TO ACCEPT LESS THAN FULL INSURANCE COVERAGE (REF B).

4. ROKG THOUGH CURRENTLY INVOLVED IN NEGOTIATIONS WITH THE JAPANESE IS STILL ATTEMPTING TO PIN DOWN FINANCING OF NAPTHS CRACKER FOR YOSU PETROCHEMICAL COMPLEX WHICH WILL PROVIDE ETHYLENE FOR DOW'S DOWNSTREAM PLANTS. DELAYS IN NAPTHA CRACKER FINANCING WILL NECESSARILY SET BACK ENTIRE PROJECT AND MAY PROVIDE OPIC SOME LEEWAY ON TIMING OF DOW INSURANCE.
SNEIDER
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